

Air Canada

per cent of the shares, could have effective control. The Government has committed itself to voting in accordance with the majority of that 45 per cent minority.

Similarly, there is supposed to be provision that no more than 25 per cent of the total shares can be owned outside the country. However, 25 per cent is 55 per cent of the shares that will be privatized. Therefore, again, effective control can be outside Canada.

How does the Member square that with any kind of public interest in Air Canada? How does he square that with Canadian sovereignty?

[*Translation*]

Mr. Grisé: Madam Speaker, once again Members of the New Democratic Party are distorting information. The Hon. Member for Cowichan—Malahat—The Islands (Mr. Manly) is saying that we will allow outsiders to get a hold of 25 per cent of all shares. That is false! Totally false. They are allowed 25 per cent of the 45 per cent of shares which will be put on sale, period. No one will be able to hold more than 10 per cent of shares issued. The information and the bill must be interpreted in that context and should not be distorted.

Madam Speaker, once again, fear and uncertainty are being spread among Canadians. Air Canada employees themselves, yes, that is the case, Air Canada employees themselves accept this proposal and are interested in the privatization initiative. Being on the inside, one would presume that they have the right information. There is a board of directors, but as soon as the shares are sold, the shareholders will elect a new board. Decisions on the operations of Air Canada will no longer be taken by the Government. This is precisely the intent of the privatization bill: to make Air Canada a privately managed business, while retaining a certain percentage of share ownership by Government. But nobody can own more than 10 per cent of the shares issued, that is 10 per cent of the 45 per cent. The shares held by foreign interests cannot exceed 25 per cent of the shares issued, that is 25 per cent of the 45 per cent.

[*English*]

Is that clear enough? It is 25 per cent of what is issued. That means 25 per cent of 45 per cent that can be owned by people from out of the country. No individual can own more than 10 per cent of the shares issued, not the total. It is from the shares issued.

There will be 45 per cent of the total shares. It is 45 out of 100. Do you get that?

[*Translation*]

Mr. Cassidy: Are the shares issued or not?

Mr. Grisé: There are 100 per cent of shares in a company.

Mr. Cassidy: But 10 per cent are to be sold to the public, am I right? These shares may well be owned by Americans!

Mr. Grisé: Madam Speaker, the Hon. Member for Ottawa-Centre (Mr. Cassidy) is the genius of the socialist party.

• (1720)

[*English*]

Mr. Nystrom: Madam Speaker, I think to keep sanity in the House I should call quorum at this time.

The Acting Speaker (Mrs. Champagne): Call in the Members.

And the bells having rung:

The Acting Speaker (Mrs. Champagne): We now have quorum.

Mr. Lewis: Question.

Mr. Mazankowski: Question.

The Acting Speaker (Mrs. Champagne): Is the House ready for the question?

Mr. Nystrom: Madam Speaker, I was on my feet to—

Mr. Mazankowski: No, you were not. You were not in your seat. No way. Question.

Mr. Crosbie: Question.

The Acting Speaker (Mrs. Champagne): The question is as follows: Mr. Mazankowski, seconded by Mr. Lewis, moved:

That Bill C-129, an Act to provide for the continuance of Air Canada under the Canada Business Corporations Act and for the issuance and sale of shares thereof to the public, be read the second time and referred to a legislative committee.

In amendment thereto: Mr. Hovdebo, seconded by Mr. Keeper, moved:

That the motion be amended by deleting all the words after the word "That" and substituting the following therefor:

"Bill C-129, an Act to provide for the continuance of Air Canada under the Canada Business Corporations Act and for the issuance and sale of shares thereof to the public, be not now read a second time but that the Order for second reading be discharged, the Bill withdrawn and the subject matter thereof referred to the Standing Committee on Transport."

The question is on the amendment. Is it the pleasure of the House to adopt the motion?

Some Hon. Members: Yes.

Some Hon. Members: No.

The Acting Speaker (Mrs. Champagne): All those in favour of the amendment will please say yea.

Some Hon. Members: Yea.

The Acting Speaker (Mrs. Champagne): All those opposed will please say nay.

Some Hon. Members: Nay